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Via Electronic-Filing

May 27, 2008

Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Piedmont Natural Gas Company, Inc., GCRM-123
Docket No: 2006-401-G

Dear Mr. Terreni,

The Office of Regulatory Staff ("ORS") has received, and had the opportunity to review, the above referenced filing made by Piedmont Natural Gas Company, Inc. ("Piedmont" or "PNG"). On May 16, 2008 Piedmont requested a benchmark cost of gas change from \$9.50 per dekatherm to \$11.50 per dekatherm. On May 23, 2008 Piedmont submitted a revision to correct a typographical error on Rate 213.

ORS does not oppose Piedmont's requested change in its benchmark commodity cost of gas. Further, ORS agrees and consents to any necessary waivers of the Commission's Rules or Piedmont's tariffs to make this change effective on the first billing cycle of June 2008.

Please contact me at your convenience should you have any questions regarding the ORS position in this matter.

Sincerely,


John W. Flitter

JWF/sh

cc: Scott M. Tyler, Esquire
James Jeffries, Esquire
David Carpenter